



DEPARTMENT OF COMMERCE

International Trade Administration

[C-570-959]

Certain Coated Paper Suitable for High-Quality Print Graphics Using Sheet-Fed Presses from the People's Republic of China: Final Results of Expedited Second Sunset Review of the Countervailing Duty Order

AGENCY: Enforcement and Compliance, International Trade Administration, Department of Commerce.

SUMMARY: The Department of Commerce (Commerce) finds that revocation of the countervailing duty (CVD) order on certain coated paper suitable for high-quality print graphics using sheet-fed presses (coated paper) from the People's Republic of China (China) would be likely to lead to continuation or recurrence of a countervailable subsidy at the levels indicated in the "Final Results of Sunset Review" section of this notice.

DATES: Applicable [INSERT DATE OF PUBLICATION IN THE *FEDERAL REGISTER*].

FOR FURTHER INFORMATION CONTACT: Michael Romani, Office I, AD/CVD Operations, Enforcement and Compliance, International Trade Administration, U.S. Department of Commerce, 14th Street and Constitution Avenue, NW, Washington, DC 20230; telephone: (202) 482-7883.

SUPPLEMENTARY INFORMATION:

Background

On December 1, 2021, Commerce initiated its second sunset review of the countervailing duty order¹ on coated paper from China, pursuant to section 751(c) of the Tariff Act of 1930, as

¹ See *Certain Coated Paper Suitable for High-Quality Print Graphics Using Sheet-Fed Presses from the People's Republic of China: Amended Final Affirmative Countervailing Duty Determination and Countervailing Duty Order*, 75 FR 70201 (November 17, 2010) (*CVD Order*).

amended (the Act).² On December 10, 2021, Commerce received a notice of intent to participate in the review on behalf of Verso Corporation (Verso), Sappi North America, Inc. (Sappi), and United Steel, Paper and Forestry, Rubber, Manufacturing, Energy, Allied Industrial and Service Workers International Union, AFL-CIO, CLC (USW) (collectively, the petitioners) within the deadline specified in 19 CFR 351.218(d)(1).³ Verso and Sappi claimed interested party status under section 771(9)(C) of the Act, as domestic producers of the domestic like product. USW claimed interested party status under section 771(9)(D) of the Act as a certified union or recognized union or group of workers which is representative of an industry engaged in the manufacture, production, or wholesale in the United States of a domestic like product.

Commerce received an adequate substantive response from the domestic industry within the 30-day deadline specified in 19 CFR 351.218(d)(3)(i).⁴ Commerce did not receive substantive responses from any other domestic or respondent interested parties in this proceeding, nor was a hearing requested. On January 20, 2022, Commerce notified the U.S. International Trade Commission that it did not receive an adequate substantive response from respondent interested parties. Accordingly, Commerce conducted an expedited (120-day) review of the *CVD Order*, pursuant to section 751(c)(3)(B) of the Act and 19 CFR 351.218(e)(1)(ii)(B)(2) and (C)(2).

Scope of the Order

The merchandise covered by scope of the *Order* includes certain coated paper and paperboard⁵ in sheets suitable for high quality print graphics using sheet-fed presses; coated on one or both sides with kaolin (China or other clay), calcium carbonate, titanium dioxide, and/or

² See *Initiation of Five-Year (Sunset) Review*, 86 FR 68220 (December 1, 2021).

³ See Petitioners' Letter, "Five-Year ("Sunset") Review of Countervailing Duty Order on Coated Paper Suitable for High-Quality Print Graphics Using Sheet Fed Presses from the People's Republic of China: Notice of Intent to Participate in Sunset Review," dated December 10, 2021.

⁴ See Petitioners' Letter, "Second Five-Year ("Sunset") Review of Countervailing Duty Order On Coated Paper Suitable For High-Quality Print Graphics Using Sheet-Fed Presses From The People's Republic Of China: Substantive Response to Notice of Initiation," dated January 3, 2022.

⁵ "Paperboard" refers to certain coated paper that is heavier, thicker and more rigid than coated paper which otherwise meets the product description. In the context of coated paper, paperboard typically is referred to as "cover," to distinguish it from "text."

other inorganic substances; with or without a binder; having a GE brightness level of 80 or higher;⁶ weighing not more than 340 grams per square meter; whether gloss grade, satin grade, matte grade, dull grade, or any other grade of finish; whether or not surface-colored, surface-decorated, printed (except as described below), embossed, or perforated; and irrespective of dimensions (certain coated paper).

Certain coated paper includes: (a) coated free sheet paper and paperboard that meets this scope definition; (b) coated groundwood paper and paperboard produced from bleached chemi-thermo-mechanical pulp (BCTMP) that meets this scope definition; and (c) any other coated paper and paperboard that meets this scope definition.

Certain coated paper is typically (but not exclusively) used for printing multicolored graphics for catalogues, books, magazines, envelopes, labels and wraps, greeting cards, and other commercial printing applications requiring high quality print graphics.

Specifically excluded from the scope are imports of paper and paperboard printed with final content printed text or graphics.

Imports of the subject merchandise are provided for under the following categories of the HTSUS: 4810.14.11, 4810.14.1900, 4810.14.2010, 4810.14.2090, 4810.14.5000, 4810.14.6000, 4810.14.70, 4810.19.1100, 4810.19.1900, 4810.19.2010, 4810.19.2090, 4810.22.1000, 4810.22.50, 4810.22.6000, 4810.22.70, 4810.29.1000, 4810.29.5000, 4810.29.6000, 4810.29.70, 4810.32.10, 4810.32.30, 4810.32.65, 4810.39.12, 4810.39.14, 4810.39.30, 4810.39.65, 4810.92.12, 4810.92.14, 4810.92.30, 4810.92.65, 4810.29.1035, 4810.29.70, 4810.92.1235, 4810.92.1435, and 4810.92.6535. While HTSUS subheadings are provided for convenience and customs purposes, the written description of the scope of the *Order* is dispositive.

⁶ One of the key measurements of any grade of paper is brightness. Generally speaking, the brighter the paper the better the contrast between the paper and the ink. Brightness is measured using a GE Reflectance Scale, which measures the reflection of light off of a grade of paper. One is the lowest reflection, or what would be given to a totally black grade, and 100 is the brightest measured grade.

Analysis of Comments Received

All issues raised in this sunset review are addressed in the Issues and Decision Memorandum.⁷ A list of the topics discussed in the Issues and Decision Memorandum is attached as an appendix to this notice. The Issues and Decision Memorandum is a public document and is on file electronically via Enforcement and Compliance Antidumping and Countervailing Duty Centralized Electronic Service System (ACCESS). ACCESS is available to registered users at <https://access.trade.gov>. In addition, a complete version of the Issues and Decision Memorandum can be accessed directly at <https://access.trade.gov/public/FRNoticesListLayout.aspx>.

Final Results of Sunset Review

Pursuant to sections 751(c)(1) and 752(b) of the Act, we determine that revocation of the *CVD Order* on coated paper from China would be likely to lead to continuation or recurrence of a net countervailable subsidy at the following rates:

Producer/Exporter	Subsidy Rate (percent)
Gold East Paper (Jiangsu) Co., Ltd., Gold Huasheng Paper Co., Ltd., Gold East Trading (Hong Kong) Company Ltd., Ningbo Zhonghua Paper Co., Ltd., and Ningbo Asia Pulp & Paper Co., Ltd.	19.46
Shandong Sun Paper Industry Joint Stock Co., Ltd., and Yanzhou Tianzhang Paper Industry Co., Ltd.	202.84
All Others	19.46

Notification Regarding Administrative Protective Order (APO)

This notice serves as the only reminder to parties subject to APO of their responsibility concerning the return or destruction of proprietary information disclosed under APO in accordance with 19 CFR 351.305(a). Timely notification of destruction of APO materials or

⁷ See Memorandum, “Issues and Decision Memorandum for the Final Results of the Expedited Second Sunset Review: Certain Coated Paper Suitable for High-Quality Print Graphics Using Sheet-Fed Presses from the People’s Republic of China,” dated concurrently with, and hereby adopted by, this notice (Issues and Decision Memorandum).

conversion to judicial protective order is hereby requested. Failure to comply with the regulations and the terms of an APO is a sanctionable violation.

Notification to Interested Parties

Commerce is issuing and publishing these final results and this notice in accordance with sections 751(c), 752(b), and 777(i)(1) of the Act and 19 CFR 351.218.

Dated: March 22, 2022.

Lisa W. Wang,
Assistant Secretary
for Enforcement and Compliance.

Appendix

List of Topics Discussed in the Issues and Decision Memorandum

- I. Summary
- II. Background
- III. History of the Order
- IV. Scope of the Order
- V. Legal Framework
- VI. Discussion of the Issues
- VII. Final Results of Sunset Review
- VIII. Recommendation

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